

**STATEMENT OF PROCEEDINGS FOR THE  
REGULAR MEETING OF THE  
CITY OF SAN FERNANDO OVERSIGHT BOARD**

**CITY OF SAN FERNANDO  
CITY COUNCIL CHAMBERS  
117 MACNEIL STREET  
SAN FERNANDO, CALIFORNIA 91340**

**Thursday, February 13, 2014**

**10:00 AM**

AUDIO LINK FOR THE ENTIRE MEETING (14-1244)

Attachments: [Audio](#)

**I. CALL TO ORDER**

**Vice Chair Ramirez called the meeting to order at 10:11 a.m.**

**II. ROLL CALL**

**Tanya Ruiz, Administrative Staff, called the roll:**

Present: Board Members Edgar Arroyo, Robert Moran, Jerry Ramirez and  
Vice Chair Federico Ramirez

Absent: Board Members Jamaar Everett, Monte Perez and Chair Judith  
Frank

**III. ADMINISTRATIVE MATTERS**

1. Recommendation: Approve the special minutes of June 13, 2013. (14-0685)

**On motion of Board Member Moran, seconded by Board Member Ramirez, unanimously carried (Board Members Everett, Perez, and Chair Frank being absent), the Oversight Board approved the June 13, 2013 Special Minutes.**

Attachments: [June 13, 2013 Special Minutes](#)

2. Recommendation: Approve the minutes of September 12, 2013. (14-0686)

**On motion of Board Member Moran, seconded by Board Member Ramirez, unanimously carried (Board Members Everett, Perez, and Chair Frank being absent), the Oversight Board approved the September 12, 2013 Minutes.**

Attachments: [September 12, 2013 Minutes](#)

**IV. REPORTS****3. ROPS 13-14B update. (14-0722)**

**Rafaela King, Interim Finance Director, provided an update regarding the Redevelopment Property Tax Trust Fund (RPTTF) Distribution for the Recognized Obligation Payment Schedule (ROPS) 13-14B. Ms. King explained that on November 6, 2013, the Department of Finance (DOF) submitted a determination letter for the ROPS 13-14B which outlined the following line items that were rejected by the DOF and therefore not determined to be enforceable obligations:**

**Line Item 20 - Outstanding Obligations to the City related to adjustments for Historical Retirement Tax Override Levies for \$492,348**

**Line Item 28 - Retirement Tax Override for \$45,709**

**Ms. King informed that a Meet and Confer meeting with the DOF took place on November 18, 2013 to dispute the two disallowed items. Ms. King added that the items continue to be disallowed by the DOF and therefore the City continues to contend the items, noting that the City Attorney has filed a writ with the Sacramento County Superior Court for further consideration.**

**Board Member Moran asked for clarification on the payment amounts that the Successor Agency has not yet received. Ms. King clarified that the only two payment amounts which the Los Angeles County Auditor-Controller (CAC) has not yet submitted, are the two items currently in dispute which amounts to \$538,057.**

**On motion of Board Member Moran, seconded by Vice Chair Ramirez, unanimously carried (Board Member Everett, Perez and Chair Frank being absent), the Oversight Board received and filed the ROPS 13-14B update report.**

**Attachments:**    [Staff Report](#)

**V. RECOMMENDATIONS****4. Recommendation: Adopt a Resolution approving an Interim Loan Agreement between the Successor Agency and the City of San Fernando. (14-0723)**

**David Gondek, Successor Agency Legal Counsel, provided a brief overview of the request to approve an Interim Loan Agreement between the City and the Successor Agency. Mr. Gondek indicated that the "emergency" loan**

agreement request is intended to address the revenue shortfall that the City and the Successor Agency have acquired with respect to the City of San Fernando's Retirement Pension Tax override amount that the Department of Finance has disallowed.

Mr. Gondek explained that the DOF insists that the pension override amount should be allocated to the Redevelopment Property Tax Trust Funds (RPTTF) for Project Area 4. However, the City contends that the amount should be distributed directly to the City of San Fernando Retirement Tax Override Fund.

Mr. Gondek further responded to questions posed by the Board and added that as RPTTF funds become available in the future, the interim loan will then be repaid back to the City.

On motion of Board Member Arroyo, seconded by Vice Chair Ramirez, duly carried by the following vote, the Oversight Board adopted Resolution No. 13, A Resolution of the Oversight Board of the Successor Agency to the San Fernando Redevelopment Agency, Approving an Interim Loan Agreement between the Successor Agency and the City of San Fernando:

**Ayes:** 4 - Board Members Arroyo, Moran, Ramirez and Vice Chair Ramirez

**Absent:** 3 - Board Members Everett, Perez and Chair Frank

**Attachments:** [Staff Report, Loan Agreement, and Resolution](#)

5. Recommendation: Adopt a Resolution approving the Supplemental Education Reserve Augmentation Funds (SERAF) Payment Schedule. (14-0726)

Rafaela King, Interim Finance Director provided a status update on the approval of the Supplemental Education Reserve Augmentation Funds (SERAF) payment schedule. Ms. King explained that based on an email from the Department of Finance (DOF) dated January 29, 2014, the DOF had allowed for the Successor Agency to begin adding any loans between the City and Successor agency to the Recognized Obligation Payment Schedule (ROPS). However, the DOF then reissued a second email on February 3, 2014, with an update regarding SERAF payments, noting that SERAF was allowed to be included, however there were specific limitations

on the dollar amount. Ms. King explained that the DOF prepared a loan calculator which includes line items 2 and 3 of the ROPS 14-15A and the residual balances from the ROPS 13-14A and B. Ms. King indicated that the residual balance amounts received netted at a zero amount and since there is no dollar amount to collect, there is no payment schedule for the 2014-2015 year. Ms. King concluded that when there is a defined residual balance, the amount can then be added to the next ROPS 15-16.

By Common Consent, there being no objection (Board Members Perez, Everett, and Chair Frank being absent), the Oversight Board accepted the report.

**Attachments:**    [Staff Report, SERAF Payment Schedule, and Resolution](#)

6. Recommendation: Adopt a resolution approving the ROPS 14-15A for the six-month fiscal period from July 1, 2014 through December 31, 2014, and taking certain other related actions. (14-0687)

Rafaela King, Interim Finance Director provided an overview on the Recognized Obligation Payment Schedule (ROPS 14-15A) and briefly discussed each of the line items. Ms. King indicated that the new ROPS template has been provided by the Department of Finance (DOF), noting that items highlighted in red are items that have been previously denied by the DOF, however, per the instructions from the DOF, the denied items must continue to be listed on the ROPS.

On motion of Vice Chair Ramirez, seconded by Board Member Arroyo, duly carried by the following vote, the Oversight Board adopted Resolution No. 15, A Resolution of the Oversight Board of the Successor Agency to the San Fernando Redevelopment Agency, Approving the Recognized Obligation Payment Schedule (ROPS) 14-15A for the Six-Month Fiscal Period from July 1, 2014 through December 31, 2014, and taking certain other related actions:

**Ayes:**    4 -    Board Members Arroyo, Moran, Ramirez and Vice Chair Ramirez

**Absent:**    3 -    Board Members Everett, Perez and Chair Frank

**Attachments:**    [Staff Report, ROPS 14-15A, and Resolution](#)

7. Recommendation: Adopt a resolution approving the Successor Agency to the San Fernando Redevelopment Agency's Administrative Budget for the ROPS 14-15A for the six-month fiscal period from July 1, 2014 to December 31, 2014. (14-0688)

Rafaela King, Interim Finance Director explained to the Board that the Administrative Budget is included in the Recognized Obligation Payment Schedule (ROPS 14-15A) as an individual line item, however per Department of Finance (DOF) instructions, a separate action is required. Ms. King noted that the requested amount is for \$125,000 which is the maximum amount allowed for a sixth month period.

On motion of Board Member Arroyo, seconded by Board Member Moran, duly carried by the following vote, the Oversight Board adopted Resolution No. 16, A Resolution of the Oversight Board of the Successor Agency to the San Fernando Redevelopment Agency, Approving the Administrative Budget for the ROPS 14-15A for the Six-Month Fiscal Period from July 1, 2014 to December 31, 2014:

**Ayes:** 4 - Board Members Arroyo, Moran, Ramirez and Vice Chair Ramirez

**Absent:** 3 - Board Members Everett, Perez and Chair Frank

**Attachments:** [Staff Report, Admin Budget 14-15A, and Resolution](#)

8. Recommendation: Adopt a Resolution approving the Cooperative Agreement between the Successor Agency and the City of San Fernando for FY 2014-2015. (14-0727)

Rafaela King, Interim Finance Director provided an update on the Cooperative Agreement between the Successor Agency and the City of San Fernando.

Vice Chair Ramirez referred to Exhibit 1 and asked that staff amend the staff report to include a similar detailed box list at the bottom of page two (2) of the staff report to detail a breakdown of the costs from the July 1, 2014 to June 30, 2015.

On motion of Board Member Moran, seconded by Vice Chair Ramirez, duly carried by the following vote, the Board Adopted Resolution No. 17, approving the Cooperative Agreement between the Successor Agency and the City of San Fernando for FY 2014-2015 as amended:

**Ayes:** 4 - Board Member Arroyo, Board Member Moran, Board Member Ramirez and Vice Chair Ramirez

**Absent:** 3 - Board Member Everett, Board Member Perez and Chair Frank

**Attachments:** [Staff Report, Cooperative Agreement, and Resolution](#)

---

**VI. STAFF COMMUNICATIONS**

This time is set aside for Successor Agency staff to update the Board on important items initiated by staff or previously requested by the Oversight Board.

**Vice Chair Ramirez inquired on the status of the Long Range Property Management Plan (LRPMP). Rafaela King, Interim Finance Director, informed that the LRPMP will be heard at the next Successor Agency Board meeting scheduled for the first week of March 2014 and will then be brought back to the Oversight Board for final approval at the March 13, 2014 meeting.**

**VII. MISCELLANEOUS**

9. Matters not on the posted agenda (to be presented and placed on the agenda of a future meeting). (14-0689)

**Board Member Arroyo announced his resignation from the San Fernando Oversight Board as he has accepted employment with the City of Beverly Hills and it would impact his ability to serve on the Board. Board Member Arroyo thanked the Oversight Board and Successor Agency staff for their work and dedication and noted that the effective resignation date is Monday, February 17, 2014.**

10. Public Comment. (14-0690)

**There were none.**

11. Adjournment. (14-0691)

**On motion of Board Member Arroyo, seconded by Board Member Moran, unanimously carried (Board Members Perez, Everett and Chair Frank being absent), the Oversight Board adjourned the meeting at 10:52 a.m.**